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DEPARTMENT FOR PM/DTCC BLUE LANTERN COORDINATOR

E.O. 12958: N/A

TAGS: [KOMC](#) [ETTC](#) [HU](#)

SUBJECT: HUNGARIAN BLUE LANTERN - LICENSE 05-050085871

REF: SECSTATE 12290

¶1. Although surprised when contacted about reftel, Magnum Vadasz es Hajos Company Director Akos Szucs willingly discussed the company's operations with PolOff and EmbOff on February 25. Opening the discussion, he commented that the company has been importing Remington and Hornady brand, U.S.-manufactured hunting equipment for the past 14 years. Szucs noted that his company has three stores in Hungary and is a wholesale supplier of hunting gear, weapons, and associated equipment to approximately 200 other outlets within Hungary.

¶2. Szucs stated he fully understands re-exportation and re-transfer restrictions as well as end-user requirements, noting that each year he is required to sign a government agreement acknowledging those restrictions. When queried as to how he ensures that the American products are not re-exported or re-transferred by his or other outlets' customers, Szucs stated that every weapon is registered with its serial number and only a buyer with an approved government permit can purchase such a weapon. The government maintains records of all gun sales for more than 10 years and private individuals cannot export weapons.

¶3. Asked about the current order for more than 1,000 rifles and associated ammunition, Szucs stated that it was a "wish list" of sorts, as he is never sure as to how many he will actually receive. He provided the following information concerning past and projected sales: Remington rifles imported in 2007: 450; Remington rifles sold in 2007: 300-400 - approximately 50 percent of his total rifle sales; Remington rifle sales projection for 2008: 500-600; 99 percent of his customers are Hungarian.

¶4. During the visit Szucs provided a tour of the company's warehouse. Rifles, as well as ammunition, are kept in locked vaults with electronic coded access to the storage facility. A small number of weapons, also under lock and key, were on display in the customer sales area.

¶5. Based on the site visit, interview with the managing director, a review of the company's website, as well as information from the Government's trade licensing office, Post assesses the current pre-license request for transaction and business operation to be legitimate.

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